# Agriculture

January 2006



A woman sun-dries tomatoes at home for processing at the Parwan Vegetable Dehydration factory in Charikar where she is one of 200 employees. USAID supports the rebuilding of agricultural markets.

## AGRICULTURE SNAPSHOT

- Improved irrigation on over 341,000 hectares of land.
- Trained 979,000 farmers via training/demonstration and seeds/fertilizer supply projects.
- Provided \$5 million to help establish a micro-credit facility operating through a dozen sub-lenders in 77 districts.
- Assisted grape grower associations in Kandahar to ship over 6,000 metric tons of grapes to Pakistan in August 2005.

# **OVERVIEW**

The purpose of USAID's agricultural sector development program is to improve food security, increase agricultural productivity and rural employment, and improve family incomes and well being. Improved job opportunities and incomes also reduce pressures on the poor to grow illicit crops. From June 2003 to June 2005, USAID interventions have increased agriculture GDP by about 9% and the country's total GDP by 4.4%.

# **PROGRAMS**

#### INFRASTRUCTURE RESTORATION

USAID is supporting the reconstruction of irrigation systems, farm-to-market roads and storage facilities, more than half of which were damaged, mined and/or destroyed because of the multi-year drought and war. Activities include labor-intensive infrastructure repairs, irrigation system restorations, and food production, warehousing and marketing facilities. To date, USAID has:

- Improved irrigation on over 341,000 hectares of land.
- Rebuilt 421 km of farm-to-market roads.
- Repaired 340 km of irrigation structures.
- Rehabilitated 605 km of irrigation canals.
- Employed more than 22,000 Afghans in cash-for-work projects.
- Improved 147 storage / market facilities.

# TECHNOLOGY TRANSFER AND MARKET DEVELOPMENT

USAID has funded a variety of cropping and livestock improvement interventions in an effort to improve and restore quality seed production, plant materials and fertilizer supplies, and poultry and livestock health and husbandry practices. These programs have significantly improved crop production, produce quality, market values and farmers' incomes. USAID has:

- Established 20 improved seed farms in five key provinces.
- Trained 973 fertilizer dealers and 347 extension staff in 18 provinces in fertilization and pest control techniques.
- Distributed 221,000 young pullets to poultry cooperative members.
- Supported 343 Veterinary Field Units (VFUs) in 245 districts of 31 provinces, who have done over 20 million vaccination treatments



# Agriculture (continued)



Afghan boys sit amidst their tomato crops in Nangarhar Province. USAID develops irrigation systems, provides equipment and seeds, and builds the capacity of Afghan farmers. In addition, USAID's Agriculture projects improve irrigation systems, restore agricultural markets, develop market infrastructure, and rebuild the livestock sector.



Staff agronomists check fruit nursery stocks as part of USAID's
Eastern Region Orchard Development Program in Nangarhar.
USAID develops irrigation systems, provides equipment and seeds, and builds the capacity of Afghans to improve their livelihoods through agriculture.

- to livestock and poultry, increasing the value of livestock production by \$280 million.
- Implemented more than 200 new row crop, vineyard and orchard demonstrations in five provinces. Average yield increases of 30 to 50 percent were achieved during the past crop year.
- Trained 979,000 farmers via training / demonstration and seeds/fertilizer supply projects.
- Provided pest control, processing machinery operation and marketing advice to several dozen lead growers and seven dried fruits and nuts producer-processor entities.

## FINANCIAL SERVICES AND PRODUCTION CREDIT

The lack of financial liquidity in the short and medium term is a challenge to Afghan farmers as they begin to restore rural production systems. In response to this challenge, USAID has helped restore basic banking and credit services within Afghanistan's rural sector. USAID has:

- Provided \$5 million to help establish a micro-credit facility operating through a dozen sub-lenders in 77 districts.
- Provided more than 28,000 loans to small businesses, 75% of which went to women.
- Created a \$2 million, commercial bank revolving credit facility for loans to agro-enterprises.
- Provided \$3.5 million in seed money for a commercial leasing entity, and contributed \$3.8 million in funding to support the establishment of an equity investment fund which will provide 20% of its capital to commercial agro-processing and production input / export industries.

# **INSTITUTIONAL DEVELOPMENT**

USAID supports the Ministry of Agriculture in its efforts to guide agricultural development towards participation in the global economy. USAID support is also being extended to other Ministries, such as Commerce and Irrigation, and to Kabul University's Faculties of Agriculture and Veterinary Sciences. A notable achievement has been supporting the Government of Afghanistan in the recent development of a Master Plan for Agriculture that identifies priorities and investments.